



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

June 15, 2004

Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**ACCEPTANCE OF PARQUE DE LOS SUENOS PARK
(DISTRICT 1) (3 Vote)**

**JOINT RECOMMENDATION WITH THE DEPARTMENT OF PARKS AND
RECREATION THAT YOUR BOARD:**

1. Accept and authorize the Chief Administrative Officer to execute the Transfer Agreement to transfer Parque de los Suenos (formerly known as Union Pacific Park) (Park), located in the unincorporated area of East Los Angeles, from the Community Development Commission to the County upon completion of the project and acceptance and clearance of the improvements by the Director of the Department of Parks and Recreation.
2. Authorize the Auditor-Controller to establish an interest bearing trust fund and deposit funds to be received over the next six fiscal years from the Community Development Commission, City of Commerce Redevelopment tax increment funds.
3. Authorize the Director of Parks and Recreation to use the trust fund to reimburse the Department for the operation and maintenance associated with the Park until the trust fund balance is completely utilized, currently estimated at 16 years.

Board of Supervisors
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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of the recommended actions is to accept the transfer of 1) real and personal property known as Parque de los Suenos (Park of Dreams) upon completion of Park improvements by the Community Development Commission; and 2) City of Commerce redevelopment tax increment funds from the Community Development Commission to offset costs associated with the operation and maintenance of the Park.

In 2003, your Board approved a Community Development Block Grant Contract between the Community Development Commission and Shane's Inspiration (a non-profit entity) to develop the site as a park.

The 1.62 acre park site is located at 1329-1333 and 1338 Union Pacific Avenue, in the unincorporated Union Pacific Revitalization Area of East Los Angeles. The park is comprised of nine parcels. Seven parcels are being developed as a playground area, with benches, a restroom building, landscaping, lighting and fencing. The remaining two parcels, located directly across the street, will include a basketball court and surface parking. Construction is scheduled to be completed by July 1, 2004.

The proposed Property Transfer Agreement transfers the Park's real and personal property to the County, and requires that in the event the use of the site changes from that of a community park, the balance of the City of Commerce tax increment funds will revert to the Commission. It is requested that your Board accept the transfer of the Park to the County upon completion of the project and the filing of all necessary contractor invoices and project documentation has been filed with the appropriate agencies.

FISCAL IMPACT/FINANCING:

The total project cost of the park is approximately \$2,920,267. The project was funded by \$1,950,000 1992 and 1996 Safe Neighborhood Parks Proposition A and \$970,267 Community Development Block Grant funds, allocated to the First Supervisorial District.

Operating Budget Impact

Upon transfer of the Park, the Parks Department estimates annual operating costs at \$31,630 for maintenance staff salary and employee benefits, services and supplies and utilities.

To offset the annual expenses, the Commission will receive and deposit, into a County interest-bearing trust fund, over the next six years, City of Commerce redevelopment tax increment funds to cover the Park's annual operation and maintenance expenditures. The Commission, utilizing the current tax increment projections, estimates that the amount of tax increment funds, will total an aggregate amount of \$486,000. Based on the estimated operating costs of \$31,630, the trust fund is anticipated to cover approximately 16 years of operation and maintenance costs. The actual time period may be less if unanticipated repairs to the facility are required due to damage from weather, vandalism or similar events.

At the time in which all funds available in the trust fund are exhausted, the Parks Department will request funding for the operation and maintenance cost of the park in its proposed operating budget.

As no permanent staff will be assigned to the facility, the Department also anticipates one-time costs of \$30,000 for a vehicle and equipment to allow staff to travel to the facility to perform grounds maintenance services. The one-time costs are currently being reviewed by the Chief Administrative Office for appropriateness and possible funding.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Upon completion of construction, anticipated for July 1, 2004, the Park will be transferred to the County and operated by the Department of Parks and Recreation.

The Community Development Commission is requesting your Board, as the governing body of the Commission, to approve the transfer of the Park as a separate matter on today's agenda.

ENVIRONMENTAL DOCUMENTATION:

An Environmental Assessment was prepared for the project pursuant to the requirements of the National Environmental Policy Act of 1969 (NEPA). This document describes the proposed project, evaluates the potential environmental effects, and describes the mitigation measures necessary to avoid potentially significant environmental effects from the project. Based on the conclusions and findings of the Environmental Assessment, a Finding of No Significant Impact was adopted by the governing body of the Community Development Commission on January 8, 2002.

Consistent with the provisions of the CEQA Guidelines, Article 14, Section 15221, notice was provided to the public that the Environmental Assessment, used in place of an Initial Study, would be used to satisfy CEQA requirements. The Environmental Assessment/Mitigated Negative Declaration was circulated for public review as required by state and local law. Based on the conclusions and findings of the Environmental Assessment, a Mitigated Negative Declaration was adopted by the Board on September 29, 2003. Filing of the Notice of Determination on September 29, 2003, along with the adoption of the Mitigated Negative Declaration, in conjunction with the Mitigation Monitoring Plan, meets the requirements of CEQA.

IMPACT ON CURRENT SERVICES:

Transfer of the Park from the Commission to the County will allow for the efficient, long-term operation of the Park and will provide a universally accessible recreational area for the residents of the unincorporated Union Pacific Revitalization Area in East Los Angeles.

CONCLUSION

Please return one adopted copy of this letter to the CAO, Capital Projects Division and Parks and Recreation.

Respectfully submitted,



DAVID E. JANSSEN
Chief Administrative Officer


for TIM GALLAGHER
Director, Parks and Recreation

DEJ:JSE
DKM:mdc

c: Violet Varona-Lukens, Executive Officer, Board of Supervisors
Ray Fortner, Chief Deputy County Counsel
Carlos Jackson, Community Development Commission